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Pacific Solar Announces Agreements with Eurosolare

Pacific Solar, an Australian company working towards commercialisation of revolutionary new solar photovoltaic (PV) energy technology and systems, has announced that it has concluded agreements to introduce Eurosolare S.p.A., the Solar Cell Manufacturing subsidiary of Eni S.p.A. as a new shareholder. Eni is a major Italian energy company.

Pacific Solar was formed in 1995 by Pacific Power and the University of New South Wales to research and develop solar technology originated at the University. Over the last 5 years \$65 million has been invested in the Company.

Pacific Solar's thin film polycrystalline silicon on glass solar PV technology promises to substantially reduce the cost of generating electricity from sunlight. Responding to the need to make solar electricity both affordable and available the Company has developed Plug&Power™, a modular rooftop solar PV system, so that now Australian homeowners can participate in the reduction of carbon dioxide emissions and be part of the solution to global warming by purchasing their own grid-connected solar electricity generator.

Recognising the resources needed to be a serious participant in the global solar industry, last year Pacific Solar sought the involvement of a new strategic shareholder.

The search and subsequent negotiations have resulted in Eurosolare taking an equity position in Pacific Solar and agreements that give access to the lucrative European market for the Company's Plug&Power™ product and thin-film technology whilst providing working capital.

The New South Wales Minister for Energy, Mr Kim Yeadon said, "The foreign investment is an important industry endorsement and plans for mass manufacturing of the thin film technology are underway. There is enormous potential with the Australian market alone set to earn around \$700 million per year, create 4000 jobs by 2010 and help the environment through greenhouse gas reduction."

Pacific Solar's Chairman, Mr Ralph Garland said, "The relationship with Eurosolare takes Pacific Solar a step closer to capitalising on its world class technology and product development capabilities as it moves towards its vision to have developed solar cells seen across the rooftops of the world."

Mr David Hogg, Pacific Solar's Managing Director said, "The relationship with Eurosolare gives the Company the opportunity to make the transition from an R&D company to a manufacturer and marketer of world leading solar energy products. It provides confirmation of the value of the Company's and its people's work."

Pacific Solar's Research Director, Scientia Professor at the University of New South Wales and 1999 Australia Prize winner for his work in the solar energy field, Professor Green said, "The agreement with Eurosolare expands the already significant R&D strengths of the Company and brings independent manufacturing expertise and an established position in the rapidly growing European photovoltaic market to the project."

Professor John Niland, Vice-Chancellor of the University of New South Wales said that the agreement with Eurosolare S.p.A is a vote of confidence in the research that is being undertaken by Pacific Solar and UNSW. "It recognises the important role that Australian Scientists are playing in the global search for alternative energy sources", Professor Niland said.

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